

AGENDA

DEPARTMENT OF TRANSPORTATION

TRANSPORTATION and NATURAL RESOURCES COMMITTEE STATE ADMINISTRATIVE BOARD

Special T&NR Meeting: September 11, 2002 - Secretary of State's Office, 3:30 PM

Special State Administrative Board Meeting: September 13, 2002 - State Capitol, 11:00 AM

CONTRACTS

1. **AERONAUTICS - Airport Awareness Project/Air Service Program**
Contract (2002-0677) between MDOT and the Houghton County Board of Commissioners providing for a grant in implementing the Airport Awareness Project under the Michigan Air Service Program at Houghton County Memorial Airport. The contract will be in effect for a period of 12 months from the date of award. The cost of the project is estimated to be \$22,222; \$20,000 from State Restricted Aeronautics funds, and \$2,222 from the Houghton County Board of Commissioners.
1. **AERONAUTICS - Airport Awareness Project/Air Service Program**
Contract (2002-0678) between MDOT and the Muskegon County Board of Commissioners providing for a grant in implementing the Airport Awareness Project under the Michigan Air Service Program at Muskegon County Airport. The contract will be in effect for a period of 12 months from the date of award. The cost of the project is estimated to be \$22,222; \$20,000 from State Restricted Aeronautics funds, and \$2,222 from the Muskegon County Board of Commissioners.
2. **AERONAUTICS - Airport Awareness Project/Air Service Program**
Contract (2002-0679) between MDOT and the Marquette County Board of Commissioners providing for a grant in implementing the Airport Awareness Project under the Michigan Air Service Program at Sawyer International Airport. The contract will be in effect for a period of 12 months from the date of award. The cost of the project is estimated to be \$22,222; \$20,000 from State Restricted Aeronautics funds, and \$2,222 from the Marquette County Board of Commissioners.

*Denotes a non-standard contract/amendment

3. *AERONAUTICS - Air Service Development Grant from USDOT
Contract (2002-0681) between MDOT and the United States Department of Transportation (USDOT) is a grant contract issued under the Small Community Air Service Development (SCASD) Pilot Program authorized by USDOT appropriations under P.L. 107-42. The Grant is issued to MDOT, and MDOT issues sub-grants to local communities for air service development projects. Each of the sub-grants will be presented to the State Administrative Board for approval. Each sub-grant will be used to fund 75% of a development project, with the remaining 25% coming from State and/or local funds. The amount of the Grant issued to MDOT is \$120,000. The grant contract will be in effect from the date of award through two years.
4. AERONAUTICS - Airport Awareness Project/Air Service Program
Contract (2002-0692) between MDOT and the Manistee County-Blacker Airport Authority providing for a grant in implementing the Airport Awareness Project under the Michigan Air Service Program at Manistee County-Blacker Airport. The contract will be in effect for a period of 12 months from the date of award. The cost of the project is estimated to be \$22,222; \$20,000 from State Restricted Aeronautics funds, and \$2,222 from the Manistee County-Blacker Airport Authority.
5. *UPTRAN - Freight Preservation & Development
Contract (2002-0663) between MDOT and the Consolidated Rail Corporation (Conrail) will provide financial assistance for the expansion of the Livernois Yard Intermodal Terminal. This project will provide a state of the art facility to accommodate increased intermodal traffic and will promote economic development in the City of Detroit. The total cost of the project is estimated to be \$10,100,000. MDOT's loan will be \$4,500,000, or up to 50 percent of the project cost. Provisions included in the contract permit the loan to be forgiven incrementally over a five-year period if Conrail meets its shipping commitment. The contract will be in effect from the date of award until the loan has been forgiven or fully repaid, until the contract is terminated, or until the last obligation between the parties has been fulfilled. Source of Funds: FY 2002 State Restricted Comprehensive Transportation Funds - \$4,500,000; Consolidated Rail Corporation Funds - \$5,600,000.
6. *UPTRAN - Freight Preservation & Development
Contract (2002-0652) between MDOT and the Central Michigan Railway Company will provide for the rehabilitation of the San Yard, located in Owosso, Michigan. The yard is owned by the Central Michigan Railway Company and leased by MDOT for rail operations. The contract will be in effect from the date of award until one (1) year after the last obligation between the parties has been fulfilled. The total cost of the project is \$750,000. Source of Funds: FY 2002 State Restricted Comprehensive Transportation Funds - \$750,000.

In accordance with MDOT's policies and procedures and subject to concurrence by the Federal Highway Administration, the preparation and execution of the appropriate documents approved by the Attorney General, and compliance with all legal and fiscal requirements, the Director recommends for approval by the State Administrative Board the items on this agenda.

The approval by the State Administrative Board of these contracts does not constitute the award of same. The award of contracts shall be made at the discretion of the Director-Department of Transportation when the aforementioned requirements have been met. Subject to exercise of that discretion, I approve the contracts described in this agenda and authorize their award by the responsible management staff of MDOT to the extent authorized by, and in accordance with, the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of January 16, 2001.

Respectfully submitted,

Gregory J. Rosine
Director

SUPPLEMENTAL AGENDA

DEPARTMENT OF TRANSPORTATION

TRANSPORTATION and NATURAL RESOURCES COMMITTEE STATE ADMINISTRATIVE BOARD

Special T&NR Meeting: September 11, 2002 - Secretary of State's Office, 3:30 PM
Special State Administrative Board Meeting: September 13, 2002 - State Capitol, 11:00 AM

CONTRACTS

1. **AERONAUTICS - Airport Awareness Project/Air Service Program**
Contract (2002-0665) between MDOT and Chippewa County Economic Development Corporation (CCEDC) will provide for a grant to implement the Airport Awareness Project under the Michigan Air Service Grant Program at Chippewa County International Airport in Sault Ste. Marie, Michigan. The contract will be in effect for a period of twelve months from the date of award. Source of Funds: State Restricted Aeronautics Funds - \$20,000; CCEDC Funds - \$2,222; Contract Total - \$22,222.

In accordance with MDOT's policies and procedures and subject to concurrence by the Federal Highway Administration, the preparation and execution of the appropriate documents approved by the Attorney General, and compliance with all legal and fiscal requirements, the Director recommends for approval by the State Administrative Board the items on this agenda.

The approval by the State Administrative Board of these contracts does not constitute the award of same. The award of contracts shall be made at the discretion of the Director-Department of Transportation when the aforementioned requirements have been met. Subject to exercise of that discretion, I approve the contracts described in this agenda and authorize their award by the responsible management staff of MDOT to the extent authorized by, and in accordance with, the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of January 16, 2001.

Respectfully submitted,

Gregory J. Rosine
Director